

ORIGINAL

INTERVENTION



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AZ CORP COMMISSION
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Arizona Corporation Commission

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OCT 15 2008

Attorneys for Intervenor-Applicants
IBEW Locals 387, 640 & 769

BEFORE THE ARIZONA

CORPORATION COMMISSION

DOCKETED BY

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IN THE MATTER OF THE
APPLICATION OF ARIZONA
PUBLIC SERVICE FOR A HEARING
TO DETERMINE THE FAIR VALUE
OF THE UTILITY PROPERTY OF
THE COMPANY FOR RATEMAKING
PURPOSES, TO FIX A JUST AND
REASONABLE RATE OF RETURN
THEREON, AND TO APPROVE RATE
SCHEDULES DESIGNED TO
DEVELOP SUCH RETURN.

Docket No. E-01345A-08-0172

APPLICATION TO INTERVENE
ON BEHALF OF IBEW LOCALS
387, 640 and 769

Pursuant to the provisions of A.A.C. R14-3-105(A) and
(B), Local Union 387, International Brotherhood of
Electrical Workers, AFL-CIO, CLC ("IBEW Local 387"), Local
Union 640, International Brotherhood of Electrical Workers,
AFL-CIO, CLC ("IBEW Local 640"), and Local Union 769,
International Brotherhood of Electrical Workers, AFL-CIO,
CLC ("IBEW Local 769"), by and through undersigned counsel,
hereby move the Arizona Corporation Commission for leave to
intervene as parties in the above-captioned matter.

IBEW Local 387

IBEW Local 387 is "directly and substantially affected
by the proceedings," A.A.C. R14-3-105(A), inasmuch as it is

1 the duly elected and recognized exclusive bargaining agent
2 for approximately two-thousand two-hundred (2,200) employees
3 of the Arizona Public Service Company ("APS"). See,
4 attached Exhibit A (p. 3). As such, IBEW Local 387 and APS
5 have entered into a long series of collective bargaining
6 agreements ("CBA") dating back to 1945 concerning rates of
7 pay, wages, hours of employment, and other terms and
8 conditions of employment. See generally, *International*
9 *Brotherhood of Electrical Workers, Local 387 v. NLRB*, 788
10 F.2d 1412, 1413 (9th Cir. 1986). The current CBA remains in
11 force between the parties with the earliest date of
12 termination being April 1, 2010. See attached Exhibit A (p.
13 69).

14 IBEW Local 640

15 IBEW Local 640 is "directly and substantially affected
16 by the proceedings," A.A.C. R14-3-105(A), inasmuch as it is
17 the owner of an office building/union hall located at 5808
18 North 7th Street in Phoenix which, in turn, is within the
19 service area of APS. As one of APS's "small-business"
20 customers, IBEW Local 640 is signed-up under the E-32 Rate
21 Plan - i.e., the standard plan for APS commercial customers
22 who have a demand of less than 3,000 kilowatts a month.
23 Typically, this includes small and medium size businesses
24 and organizations such as restaurants, retail outlets,
25 manufacturers and offices.

26 Because none of the existing parties adequately protect
27 the interests of a ratepayer like IBEW Local 640, the Union

1 is confident that its participation in these proceedings
2 will lead to a more well reasoned decision on the part of
3 the Arizona Corporation Commission. Cf., A.R.S. §40-462(A)
4 ("A residential utility consumer office is established to
5 represent the interests of residential utility consumers in
6 regulatory proceedings involving public service corporations
7 before the corporation commission.")

8 Were that not enough, IBEW Local 640 should also be
9 granted intervention in this case on the grounds that it
10 supplies highly-skilled employees to the Palo Verde Nuclear
11 Generating Station ("Palo Verde") periodically for
12 maintenance outages through an International Maintenance
13 Agreement. This agreement is normally entered into between
14 Bechtel Power Corporation ("Bechtel"), the contractor for
15 APS's construction workers at Palo Verde, and the Building
16 and Construction Trades Department, AFL-CIO, its constituent
17 International Unions, and their affiliated Local Unions.
18 Bechtel has recognized the Unions as the sole bargaining
19 agents for all employees in the classifications covered in
20 their respective agreements that will be working on the
21 project.

22 Currently, IBEW Local 640 also provides employees to
23 APS as part of a task force assembled to assist in
24 underground construction in residential housing
25 developments. IBEW Local 640 is currently providing
26 approximately sixty (60) electricians to this task force.

27 / / /

IBEW Local 769

Like its sister local, IBEW Local 769, is "directly and substantially affected by the proceedings," A.A.C. R14-3-105(A), inasmuch as it is the owner of an office building/union hall located at 3232 North 20th Street in Phoenix which, in turn, is within the service area of the APS. Like IBEW Local 640, it is signed-up under the E-32 Rate Plan.

In addition, IBEW Local 769 also represents employees of subcontractors working for APS. For example, IBEW Local 769 has recently provided outside line construction work for APS through Argent Construction, Inc., Wilson Construction, Klondyke, NPL, Henkels & McCoy and Sturgeon Electric. Currently, IBEW Local 769 is providing bargaining unit employees to Argent Construction, Inc. for the installation of sub-transmission lines for APS. At any given time, IBEW Local 769 will have anywhere from five (5) to two-hundred (200) of its bargaining unit employees working for subcontractors of APS.

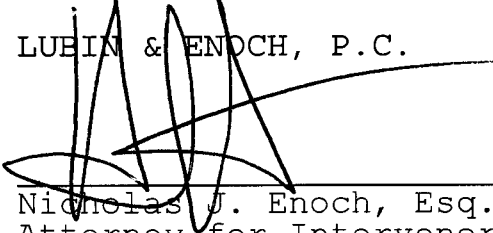
Based on the above, these three IBEW Locals not only have a direct financial interest in the outcome of this proceeding, but there is a substantial risk that this case may impair their interest absent being permitted to intervene into the above-captioned matter. Because Ariz. Const. Art. XV, §3 expressly provides that "[t]he Corporation Commission shall... make and enforce reasonable rules, regulations, and orders for the convenience, comfort,

1 and safety, and the preservation of the health, of the
2 employees and patrons of [public service corporations]," the
3 three IBEW Locals are confident that their participation in
4 these proceedings will not unduly broaden the issues
5 presented herein.¹ Similarly, because no existing (or
6 potential) party adequately protects the interests of IBEW
7 Locals 387, 640, and 769, they are confident that their
8 participation in these proceedings will lead to a more well
9 reasoned decision on the part of the Arizona Corporation
10 Commission.

11 **WHEREFORE**, it is respectfully requested that IBEW
12 Locals 387, 640, and 769 be permitted to intervene in the
13 above-captioned matter as parties.

14 RESPECTFULLY SUBMITTED this 15th day of October 2008.

15 LUBIN & ENOCH, P.C.

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17 
18 Nicholas J. Enoch, Esq.
19 Attorney for Intervenor-Applicants
IBEW Locals 387, 640 & 769

20 Original and thirteen (13) copies
21 of Intervenor-Applicants' Application
22 to Intervene filed this 14th day
23 of October, 2008, with:

24 ¹ While the position of the three IBEW Locals may (and
25 probably will) eventually differ from that of APS when it comes
26 to various details of the rate-hike proposal, the three IBEW
27 Locals are, generally speaking, fully supportive of APS's overall
28 position in this case. Indeed, while the three IBEW Locals are
not yet even parties to the instant proceeding, they would,
nevertheless, like to express their full and unqualified support
for APS's Motion for Approval of Interim Rate Hike dated June 6,
2008.

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4 Copies of the foregoing
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9 F:\Law Offices\client directory\IBEW L 387\074\Pleadings\2008-10-16 App to Intervene L. 387, 640 & 769.wpd
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Exhibit A

Labor Agreement Between APS and IBEW Local 387



APS

**Revised 2005
Amended 2008**

LABOR AGREEMENT

THIS AGREEMENT, entered into this first day of April, 2005, by and between the ARIZONA PUBLIC SERVICE COMPANY, a corporation, of Phoenix, Arizona, its successors or assigns, together with such other properties of public utility character as may hereafter be acquired, except such properties or operations as may be under Union Agreement until the expiration of such Agreements, hereinafter referred to as the "Company," and THE INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS, Local Union No. 387 of Phoenix, Arizona, affiliated with the American Federation of Labor - Congress of Industrial Organization, hereinafter referred to as the "Union," covering all classifications covered by Wage Schedules attached hereto and made a part hereof.

WITNESSETH:

ARTICLE I

RECIPROCAL COVENANTS - UNION RECOGNITION

Section 1. During the term of this Agreement, and during any period of time while negotiations are in progress between the parties hereto for the extension or renewal of this Agreement, the Company agrees that there will be no lockout.

Section 2. During the term of this Agreement, and during any period of time while negotiations are in progress

discipline in accordance with Article VII of this Agreement in cases in which an issue of fact exists as to whether or not any particular employee has engaged in, participated in, or encouraged any such violation.

Section 3. The Union is recognized as the exclusive bargaining agency for employees as covered by Wage Schedules attached hereto. Subject to and under the provisions of Article VII of this Agreement, representatives of the Company will meet with representatives of the Union in reference to grievances which may arise during the term of this Agreement, but nothing in this Agreement shall prevent or preclude any employee from going to the Company's representatives respecting matters other than union business relating to himself. However, nothing in this section shall be construed as to prevent the shop steward from taking the matter up with the foreman.

Section 4. When the Company requires any new employees of any classification included in this Agreement, the Company may request the Business Manager of the Union to send qualified people to fill the Company's requirements or the Company may fill its own requirements through its own Human Resources Department. In either event, when any new employee is hired, their name, classification, address, supervisor, department, social security number and date of hire will be forwarded to the Financial Secretary of the Union.

**ARTICLE X
WAGE AND SALARY SCHEDULES**

Section 1. There is attached hereto, hereby referred to, made a part hereof, Wage and Salary Schedules for employees in all classifications covered by this Agreement, and it shall be in force during the term of this Agreement.

**ARTICLE XI
DURATION**

Section 1. This Agreement shall be in full force and effect from **APRIL 1, 2005**, and shall remain in force until **APRIL 1, 2010**, and thereafter until either party hereto shall give to the other party sixty (60) days written notice of desire for change, amendment or termination, except that either party may open the Agreement for wage negotiations on any anniversary date of the Agreement by giving to the other party sixty (60) days written notice prior to any such anniversary date of the Agreement. During such sixty (60) day period, conferences shall be held by and between the parties hereto with a view to arriving at further agreement, and this Agreement shall remain in full force and in effect during such period of negotiations, as well as during the period of arbitration provided in Article VII, should any amendment be submitted for arbitration as therein provided. It is distinctly understood and agreed that all previous agreements and understandings, if any, and all